

Message Text

SECRET

PAGE 01 BONN 09407 01 OF 02 111648Z

42

ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 NSCE-00 /026 W
----- 002132

O R 111633Z JUN 75

FM AMEMBASSY BONN

TO SECSTATE WASHDC IMMEDIATE 0678

INFO AMEMBASSY BRASILIA IMMEDIATE

AMEMBASSY BUENOS AIRES

AMEMBASSY PARIS

AMCONSUL RIO DE JANEIRO

USMISSION IAEA VIENNA

S E C R E T SECTION 01 OF 02 BONN 09407

EXDIS

E. O. LL652: XGDS-1

TAGS: PARM, TECH, GW, BR

SUBJECT: FRG NUCLEAR EXPORTS TO BRAZIL

REF: A. STATE 133585, B. BONN 09107, C. STATE 119267,
C. BONN 2897

1. SUMMARY: AMBASSADOR CALLED ON "ASSISTANT SECRETARY"

HERMES, FRG FOREIGN OFFICE, TO SEEK FURTHER
CLARIFICATION OF FRG VIEWS AND TO CONFIRM US POSITION
WITH RESPECT TO GERMAN NUCLEAR EXPORTS TO BRAZIL.
HERMES CONFIRMED THAT THE EURATOM COMMISSION HAS
APPROVED THE FRG-BRAZIL AGREEMENT AND THAT THE
FRG WILL RECEIVE FORMAL ASSURANCES FROM BRAZIL
WITH RESPECT TO IAEA SAFEGUARDS, PHYSICAL SECURITY
MEASURES, GERMAN TRILATERAL PARTICIPATION IN IAEA
SAFEGUARDS AND A NON-PNE COMMITMENT. THE FRG SHARES
US VIEWS ABOUT THE DESIRABILITY OF MULTINATIONAL,
REGIONAL NUCLEAR FACILITIES AND WILL ENCOURAGE ITS
INDUSTRY TO DEVELOP JOINT VENTURES BUT HAS ONLY
LIMITED POWER TO REQUIRE THIS. THIS LATTER POINT
WILL PROBABLY BE KEY TOPIC RAISED DURING US-FRG

SECRET

SECRET

PAGE 02 BONN 09407 01 OF 02 111648Z

BILATERAL DISCUSSIONS IN LONDON ON JUNE L7 PRIOR

TO SUPPLIERS' MEETING.
END SUMMARY

2. THE AMBASSADOR PRESENTED US POSITION AND QUESTIONS (REF A, PARAS 5-9) TO ASSISTANT SECRETARY HERMES, FRG FONOFF. HERMES CONFIRMED THAT FRG WILL RECEIVE FORMAL ASSURANCES FROM BRAZIL THAT MATERIALS, FACILITIES AND TECHNOLOGY SUPPLIED TO BRAZIL WILL BE SUBJECT TO IAEA SAFEGUARDS, WILL NOT RPT NOT BE USED TO PRODUCE "PEACEFUL NUCLEAR EXPLOSIVES" AND WILL BE SUBJECT TO ADEQUATE PHYSICAL SECURITY MEASURES. HE ADDED THAT "SENSITIVE" EQUIPMENT, FACILITIES, MATERIALS AND TECHNOLOGY MAY BE RE-EXPORTED BY BRAZIL ONLY WITH FRG PERMISSION.

3. HERMES EXPLAINED THAT BRAZIL HAS ALSO AGREED THAT FRG WILL PARTICIPATE AS THIRD PARTY IN IAEA SAFEGUARDS AGREEMENT NEGOTIATIONS. FRG WILL ALSO SEEK FORMAL ASSURANCES ON THIS POINT.

4. WITH RESPECT TO CONTINUING SUPPLIER INVOLVEMENT (REF A, PARA 7B), HERMES EXPLAINED THAT THE FRG WILL CERTAINLY ENCOURAGE GERMAN INDUSTRY TO DEVELOP "JOINT VENTURES." THE FRG'S ABILITY TO REQUIRE SUCH COMMERCIAL ARRANGEMENTS IS LIMITED, HOWEVER, AND IT IS NOT POSSIBLE TO GIVE A FORMAL ASSURANCE ON THIS POINT AT THE PRESENT TIME. THE FRG AGREED WITH THE US VIEW (REF A, PARA 7C) THAT THE SCHEDULE FOR FACILITIES TRANSFERRED SHOULD BE ADAPTED TO THE ECONOMIC REQUIREMENTS -- CERTAIN FACILITIES WOULD BE REQUIRED ONLY AT A LATER STAGE OF DEVELOPMENT.

5. HERMES TOOK NOTE OF US VIEWS, WHICH THE FRG SHARED, THAT MULTINATIONAL NUCLEAR FACILITIES TO MEET REGIONAL NEEDS HAD CERTAIN ADVANTAGES (REF A, PARA 7C). HE WAS NOT CONFIDENT, HOWEVER, THAT GOVERNMENTAL ACTION BY THE FRG WOULD BE VERY EFFECTIVE IN THIS RESPECT. THIS CONCEPT, WHICH HAD ALSO APPEARED IN THE US DISCUSSION PAPER FOR THE JUNE L8 SUPPLIERS' MEETING, WOULD BE ONE OF THE
SECRET

SECRET

PAGE 03 BONN 09407 01 OF 02 111648Z

TOPICS THE FRG WOULD WISH TO DISCUSS DURING THE PLANNED BILATERAL MEETING WITH THE US DELEGATION IN LONDON ON JUNE L7. HERMES WONDERED WHETHER BILATERAL NUCLEAR COOPERATION COULD BE MADE CONDITIONAL UPON THE SATISFACTORY FULFILLMENT OF SUCH A REGIONAL REQUIREMENT.

6. HERMES AGREED THAT ARGENTINE-BRAZILIAN REGIONAL

COOPERATION WOULD BE A THEORETICAL POSSIBILITY
THAT SHOULD NOT BE DISCOUNTED AND STRONGLY ENDORSED
THE DESIRABILITY OF CONTINUING US-FRG

SECRET

NNN

SECRET

PAGE 01 BONN 09407 02 OF 02 111646Z

42
ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 NSCE-00 /026 W
----- 002115

O R 111633Z JUN 75
FM AMEMBASSY BONN
TO SECSTATE WASHDC IMMEDIATE 0679
INFO AMEMBASSY BRASILIA IMMEDIATE
AMEMBASSY BUENOS AIRES
AMEMBASSY PARIS
AMCONSUL RIO DE JANEIRO
USMISSION IAEA VIENNA

S E C R E T SECTION 02 OF 02 BONN 09407

EXDIS

CONSULTATIONS ABOUT SUCH POSSIBLE LONG-TERM
SOLUTIONS TO THE PROBLEM (REF A, PARA 8).

7. HERMES ASSURED THE AMBASSADOR (SEE ALSO REF B)
THAT THE FRG HAD TRIED TO BE AS FAIR AS
POSSIBLE IN RESPONDING TO QUESTIONS FROM THE PRESS
ABOUT US REACTIONS TO THE SALE OF GERMAN NUCLEAR
TECHNOLOGY TO BRAZIL. THE FRG HAD TRIED TO AVOID
ANY IMPLICATION THAT THIS ISSUE HAD BECOME A
BILATERAL CONTROVERSY, ALTHOUGH THE SHARP ATTACKS
IN THE US SENATE MADE THIS SOMEWHAT DIFFICULT. THE
AMBASSADOR RESPONDED (REF A, PARA 1) WITH A FIRM
DENIAL THAT THE USG HAD INSTIGATED THIS PUBLICITY,
EMPHASIZING THAT WE SOUGHT NO COMMERCIAL
ADVANTAGE IN RAISING THESE SAFEGUARDS ISSUES. WE
WERE MOTIVATED SOLELY BY A CONSTRUCTIVE DESIRE TO
INSURE THE SUCCESS OF THE JUNE L8 SUPPLIERS' MEETING
AND BY A SERIOUS CONCERN ABOUT THE DANGERS OF NUCLEAR

PROLIFERATION.

8. EMBASSY COMMENT: STATE 135945 RECEIVED AFTER ABOVE
APPROACH COMPLETED. "ASSISTANT SECRETARY" HERMES,
CHIEF, ECONOMIC DEPARTMENT, FONOFF, IS MOST SENIOR
SECRET

SECRET

PAGE 02 BONN 09407 02 OF 02 111646Z

OFFICIAL RESPONSIBLE FOR COORDINATING THIS QUESTION
IN FRG. WE WILL FOLLOW UP WITH OTHER APPROPRIATE
OFFICIALS BUT, IN VIEW EURATOM COMMISSION APPROVAL
OF FRG-BRAZIL AGREEMENT, IT APPEARS DOUBTFUL THAT
IT WILL BE POSSIBLE TO CHANGE CONTENT OF AGREEMENT
AT THIS TIME. SUPPLIER INVOLVEMENT IN SENSITIVE
FACILITIES, WHICH MAY BE NEGOTIATED AS ELEMENT
OF SUBSEQUENT COMMERCIAL CONTRACTS OR AS PART OF
SAFEGUARDS IMPLEMENTATION PROCEDURES AGREED WITH IAEA,
PROBABLY REMAINS THE ONLY AVENUE OPEN FOR
DISCUSSION HERE OR DURING JUNE L7 US-FRG BILATERAL
MEETING IN LONDON.
HILLENBRAND

SECRET

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: URANIUM, SALES, EXPORTS, FISSIONABLE MATERIALS TRANSFER, NUCLEAR SAFEGUARDS
Control Number: n/a
Copy: SINGLE
Draft Date: 11 JUN 1975
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975BONN09407
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X1
Errors: N/A
Film Number: D750203-0990
From: BONN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750658/aaaacarn.tel
Line Count: 193
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION SS
Original Classification: SECRET
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: EXDIS
Reference: 75 STATE 133585, 75 BONN 09107, 75 STATE 119267
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 07 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 APR 2003 by BoyleJA>; APPROVED <22 SEP 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FRG NUCLEAR EXPORTS TO BRAZIL
TAGS: PARM, TECH, GE, BR
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006